(b) Yes, Sir. Government of Gujarat had made a proposal for relaxing this limit and to exclude funding from Indian Commercial Banks while calculating aggregate investment of IPFIs.

(c) It has since been decided that while there could be no bar to the extent of domestic debt raised by a project developer, subject to the need of maximising financing from external sources and prudential norms exercised by IFIs, allowing a higher domestic debt component for projects which are developed based on indigenously sourced plant and equipment would be more desireable.

Rural Power by Rice Husk

880. SHRI P. PRABHAKAR REDDY: Will the Minister of POWER be pleased to state:

(a) whether Government's attention has been drawn to the newsitem appearing in the Hindu dated 9th February, 1999 under the caption "Rice husk can meet rural power needs";

(b) if so, whether Government have contacted the concerned scientists of Institute of Solid Waste Research and Ecological Balance (INSWAREB) and sought for more details in the matter; and

(c) if so, the results thereof?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM): (a) and (b) Yes, Sir.

(c) Generation of Electricity from rice husk, which has been mentioned in the news-item is already covered under the Programme on Biomass Power Generation of the Ministry of Non-conventional Energy Sources, wherein financial assistance is provided for setting up such projects. The Institute is aware of the Ministry's programme.

Reported Loss of Eastern States on Power Export

881. SHRI NILOTPAL BASU: Will the Minister of POWER be pleased to state:

(a) whether Government's attention has been drawn to the New-item, 'Eastern States loss on power export', appearing in Business Standard dated 8th February, 1999;

(b) if so, whether the Eastern Region's loss on power export is because of the abnormal hike in the NTPC generation cost from Rs. 1.81 to Rs. 2.20 per unit, as reported;

(c) if not, the actual reasons for this loss to Eastern power agencies;

(d) the present NTPC power cost in different regions; and

(e) the action taken by Government to ensure a reasonable Tariff by NTPC in Eastern Zone, in line with the Tariff charged in other regions of the country by NTPC?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM): (a) Yes Sir.

(b) and (c) The tariff for NTPC Stations is determined by the Government under section 43A of the Electricity (Supply) Act, 1948 and is fixed on two part basis. Therefore, the rate of power supply from any power stations of NTPC varies from month to month, depending on the total energy supply from a power station during the month. The constituents of the Eastern region have decided to offer power to other regions at a fixed rate to be determined by the Central Electricity Authority every six months, based on average for the past six months. The rate was fixed at 215 P/KWH from January to June 1998 and at 195 P/KWH from July to December 1998. The difference between the fixed

rate and the month to month rates for NTPC stations in Eastern region are credited/debited to the constituents of Eastern Region in proportion to their energy drawal. In fact, every unit of power exported outside the Eastern region goes to reduce the fixed charges to be borne by the States in the Eastern Region. The month-wise benefits to Eastern Region are given below:

Month	energy Exported (MUs)	Average Rate of export P/KWH	Average Variable Charges P/KWH	Benefit to Region P/KWH	Eastern Rs. Crores
April, 98	338.68	215	55.98	159.02	53.85
May, 98	350.55	215	57.52	157.28	55.13
June, 98	298.07	215	58.68	156.32	46.59
July, 98	267.26	195	56.96	138.04	36.89
Aug., 98	244.46	195	57.83	137.17	33.53
Sep., 98	262.93	195	60.17	134.83	35.45
Oct., 98	209.02	195	59.69	135.31	28.28
Nov., 98	162.11	195	58.96	136.04	22.05
Dec., 98	227.17	195	57.52	137.48	31.23

(d) The cost of power in a two part tariff is directly related to the level of capacity utilisation in the plant. The average rate of power supplied from NTPC stations during 1997-98 for each region is given below:

	Average rate (P/KWH)	Average PLF of NTPC stations %
Northern Region	120	85.1%
Western Region	107	83.0%
Southern Region	100	89.1%
Eastern Region	203	45.7%

(e) Government has been taking steps to maximise export of surplus power from Eastern Region subject to availability of ransmission Capacity.

Corporatisation of SEBs

882. MISS SAROJ KHARPARDE : Will the Minister of POWER be pleased to state:

(a) whether SEBs tariff does not cover the cost of generation;

(b) if so, the State-wise details in this regard;

(c) whether excessive cross-subsidisation, poor economic efficiency, poor maintenance of network and poor collection of revenue are the main causes for the financial ill-health of SEBs;

(d) if so, the steps taken to corporatise SEBs to make them more effective and viable?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY